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The Municipality of
Metropolitan Toronto

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C. Dennis Flynn
Metropolitan Chairman

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To: The Metropolitan Executive Committee

Re: A Covered Stadium and Multi-Purpose Facility for Metropolitan Toronto

Metropolitan Council, on February 28, 1984, by its adoption of Clause 1 of Report No. 6 of the Metropolitan Executive Committee, made, inter alia, recommendations that approved and/or required:

(a) a contribution towards the capital cost of construction of a Dome Stadium within the boundaries of Metropolitan Toronto as a capital expenditure in an amount not to exceed the lesser of $30 million or 20 per cent. of the capital cost borne by all levels of government, and that the Metropolitan contribution be reduced proportionately, as a ratio of contributions of other levels of government, as private sector contributions reduce the total government costs of construction;

(b) such contribution be made as costs are incurred over an estimated construction period of four years and financed by the issuance of debentures having a term not exceeding 20 years;

(c) provision for this expenditure be made in the 1984-1988 Capital Works Programme in the estimated amounts of $500,000.00 in 1984, $7,000,000.00 in 1985, $7,000,000.00 in 1986, $7,000,000.00 in 1987, and $8,500,000.00 in 1988;

(d) a policy be adopted that the Metropolitan Corporation not share in any operating deficit of the Stadium;

(e) (1) that the Council of Metropolitan Toronto commit itself to ensuring the future vitality of Exhibition Place, with or without a sports stadium; and

(2) that similar assurances be sought from the Government of Ontario; and

(3) that an updated Exhibition Place Development Plan be brought forward to the Metropolitan Council by the end of 1984 with a Capital Works timetable beginning in 1985;

(f) the Metropolitan Chairman and the Mayors be instructed to continue negotiations with the Federal Government and the Province of Ontario with respect to private sector capital contributions; and in respect to the introduction of the Dome Dollar Game, and other possible methods of debt reduction through revenue;

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(g) the continued exploration of the feasibility of establishing an international trade centre at Exhibition Place;

(h) a Domed Stadium (Crown) Corporation be established by Provincial legislation to acquire the selected site, if necessary, select architects, let tenders, construct, manage, maintain and operate the stadium; and that the Metropolitan Council be represented on the Board of Directors of the Corporation on a direct ratio to its capital financial commitment; and

(i) the Metropolitan Chairman be requested to report to Council on the economic benefits and costs to Metropolitan Toronto after a specific site has been announced; and on the maximum utilization of the dome stadium, convention centre, Exhibition Place, etc., from an economic and development perspective.

Comment:

As a result of the foregoing, the previous Metropolitan Chairman continued discussions with Provincial officials, including the Premier of the Province, regarding all the above issues.

I am advised that the Premier indicated that no new lotteries, including a Dome Dollar Game, were contemplated.

I am also advised that the Premier requested that his officials continue, and if necessary initiate, discussions with the private sector in respect to private sector contributions to the project.

The other items referred to by Council will be dealt with in the body of this report.

Subsequently, the Premier announced the formation of a Crown corporation, the Ontario Stadium Corporation, the membership of which was comprised of Mr. Paul Godfrey, Mr. Hugh Macaulay, and Mr. Larry Grossman, to continue exploration of the project. Mr. Grossman was chairman of the Corporation until late in 1984, when he asked to be relieved of that responsibility.

The Premier then appointed Dr. Edward Stewart, Deputy Minister in the Premier's Office, as Chairman, and added the present Metropolitan Chairman to membership in the corporation.

Finally, the Premier, on January 17, 1985, made a detailed announcement, respecting a decision that the stadium site would be at the base of the CN Tower. His text is attached to this report as Appendix 1.

Through all this period of time, consultants had been hired and were active, especially in regard to transportation matters and to the retractability factor of the dome. Their reports respecting the CN site are attached hereto as Appendices 2 and 3.

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The Premier's announcement, while it answers a great number of questions, does pose some issues of Metropolitan concern. They are dealt with hereunder, as are other matters that were raised previously by Council.

John Street Pumping Station:

Appendix 4 outlines the land requirements for the new facility, and shows those lands now owned by the Metropolitan Corporation.

As it became evident that lands now used by the John Street pumping station, which serves a large part of Metropolitan Toronto including the downtown area, would be required for the stadium site, discussions were undertaken by Metropolitan officials, including the Commissioner of Works, at the request of officials of the Province and CN Real Estate.

The results of these discussions were, in my view, of substantial benefit to the Metropolitan Corporation.

They are as follows:

In view of its undertaking to construct a new stadium and related works, CN Real Estate undertakes to provide on lands south of the site, as outlined in Appendix 4, to be conveyed to Metropolitan Toronto at nominal cost, a new pumping station and all related works, to the satisfaction of the Commissioner of Works, at no cost to the Metropolitan Corporation;

CN Real Estate also undertakes to provide an alternate site, with all related facilities, for the works yard now on the John Street site, again at no cost to the Corporation and again to the satisfaction of the Commissioner of Works;

CN Real Estate also is required to seek and obtain at its own cost all necessary approvals, while Metropolitan officials will of course assist as needed;

CN Real Estate also undertakes to perform and pay for any necessary demolitions or other works (e.g., removal of buildings, off-site alterations, improvements to sewers and water mains, etc.).

The Commissioner of Works advises that all the above is feasible.

In return, Metropolitan Toronto is to lease to the Ontario Stadium Corporation the lands necessary for the construction of the stadium and directly related works, for a nominal sum for 99 years, as again outlined in Appendix 4.

Appendix 4 also shows that Metropolitan Toronto will retain property directly south of the new facility. As the City of Toronto considers the entire Railway Lands development, it would be appropriate to develop policies and make representations so that the greatest possible benefit to Metropolitan Toronto in respect to these lands might accrue. This is addressed in the recommendations that follow below.

Transportation:

The Stadium Corporation retained Barton-Aschman Associates to conduct a transportation analysis of the CN Tower site on the same basis as all other sites considered by the Corporation.

The Summary of Findings of this analysis, attached to this report as Appendix 2, contains these conclusions related to the CN Tower site:

(1) It is by far the closest of all sites seriously considered to the hub of the Toronto area's public transportation network at Union Station. If convenient and attractive pedestrian links can be developed with Front Street and Union Station, the site can certainly be considered to be within acceptable walking distance of both this hub and the St. Andrew subway station on the University line.

(2) With the exception of very infrequent weekday (early) afternoon events (e.g., Blue Jays' opening game), the site would give rise to highly efficient use of existing and future residual capacities of parking facilities available to the public, within walking distances normally considered acceptable by attendees of major sports events; i.e., 500 to 1000 meters.

(3) Roadworks required to serve the site comprise a relatively modest programme, all components of which will have multiple functions in the long run, in any event; i.e., all new road and pedestrian links shown on the photographically based map in the Barton-Aschman report will be integral components of the Railway Lands road system.

The report includes a summary of a parking analysis which shows that, within 1000 meters of the site, a conservatively estimated 6200 parking spaces would be available for a weekday evening event and 7260 spaces would be available for a weekend afternoon event. A worst case scenario was developed, which assumed that virtually no spaces would be available on the CBC site and within the Convention Centre due to overlapping events and construction activity on the CBC site. Under this scenario, 1400 spaces were deleted from the above numbers. Since the above number of spaces correspond to the forecast total parking demand, the reduction as a result of the worst case scenario had to be replaced by locating about 1500 spaces within the railway lands. These spaces would be located in temporary surface lots to be later absorbed into development as it occurs.

The map, "Infrastructure Requirements" included in Appendix 2 shows certain road and pedestrian link improvements that would be necessary to accommodate the stadium. Most of these improvements were to be provided in any event as part of the Railway Lands development infrastructure requirements.

The Metropolitan Technical Transportation Planning Committee (the Metropolitan Planning Commissioner, the Metropolitan Roads and Traffic Commissioner, the Chief General Manager of the Toronto Transit Commission, and the Executive Director of Economic Development) has undertaken an assessment of the proposal and advises:

(1) High standard pedestrian connections from the stadium to Union Station and St. Andrew subway station will be required. Consideration should be given to the use of covered walkways, speed-walks, extra-wide passages, etc.

(2) Following the opening of the stadium, an assessment will be made of the impact on Union subway station to determine if improvements are required to the station. These might include additional or widened pedestrian connections and the provision of a new subway platform to enable Yonge Street trains to short turn at the station. The need for the improvements would depend upon total transit demand, the attractiveness of utilizing the St. Andrew station, and the ability of surface transit services to deflect passengers from the Yonge-University line.

(3) Although the Spadina LRT would not be essential for the commencement of stadium operations, it would be desirable to accelerate its implementation. The Spadina LRT was proposed in the Central Waterfront Transportation Plan to serve the development of the Railway Lands and the central waterfront area. An LRT station at the intersection of Spadina and Esplanade would provide a very attractive access point just west of the stadium.

(4) In conjunction with the findings of Downtown Rapid Transit Study (which is almost finished) and also with the internal transportation needs of the Railway Lands development, it might be necessary to protect a right-of-way for future transit use adjacent to the stadium. A review of this matter should be undertaken as quickly as possible with the City of Toronto to determine the need for the right-of-way.

(5) A marshalling area for 150 buses should be provided adjacent to the stadium with adequate access and egress.

(6) The Front Street extension and Gardiner Expressway widening were proposed in the Central Waterfront Transportation Plan in order to serve the present and committed commercial development in the downtown. The Front Street Extension would be particularly beneficial to the operation of the stadium and therefore consideration of the construction of these facilities should be undertaken as soon as possible.

(7) In view of the proposed partial replacement of the Spadina Bridge (as per Barton-Aschman recommendations) early consideration should be given to reconstruction of the bridge. This was proposed in the Central Waterfront Transportation Plan in order to accommodate the Spadina LRT.

(8) A review of the proposed local road improvements and their connections to Metropolitan arterial roads should be undertaken in conjunction with the City of Toronto and appropriate developer representatives to determine the design and operating requirements.

It is clear that the strength of the CN Tower site is its proximity to Union Station and its resultant ability to be served extremely well by the existing TTC Subway system and the GO Transit system. In view of the emphasis on transit,

parking requirements can be satisfied with substantial amounts of parking available in the downtown area within a reasonable walking distance of the site. The distribution of parking lots over a large area provides the advantage of a rapid dispersal of automobiles, particularly after a major event at the stadium, thereby avoiding congestion that would otherwise result from a concentration of parking directly adjacent to the site. From a traffic operations point of view, the one concern would be if early weekday afternoon events were held whereby the departures from the stadium would conflict with normal p.m. peak period travel. Experience with the existing stadium demonstrates that this occurs very infrequently, but attempts should still be made to minimize this situation.

Most of the improvements noted above would be required in any event to serve the expanding needs of the downtown and Central Waterfront areas. In terms of the transportation improvements required before the stadium commences operation, there should be no transportation cost implications to the Metropolitan Corporation since most of these would have had to be provided by the developer as part of the railway lands development.

Economic Benefits:

There is no question that a project of this magnitude will have significant economic benefits to the Metropolitan community in the form of:

(1) direct and indirect job creation during construction, as outlined below;

(2) direct and indirect job creation during the operating years of the stadium, as outlined below;

(3) a catalytic effect on the creation of other developments (e.g., stimulus to the development of the Railway Lands) which in turn creates other jobs and property assessment;

(4) the creation of investment interest in Metropolitan Toronto derived from the publicity generated by the stadium; the world class facility will be a symbol of the progressive nature of the community;

(5) job creation as a result of the potential increase of visitors and tourists to the community created by the interest generated by the stadium.

In relation to the above, the previous report produced for Exhibition Place concluded that the construction of a stadium valued at $150 million over a 30-month period would create 7500 person years of employment in Canada, 6350 of which would occur in Ontario, and 4450 in Metropolitan Toronto. The annual operation of the stadium at full operation would create about 6400 person years of annual employment in Canada. Of this total about 6000 would occur in Ontario and about 5000 in Metropolitan Toronto. The estimates for annual job creation under full operation were derived on the basis of utilizing the stadium for trade shows together with a new trade centre at Exhibition Place. These numbers would be representative of the job creation potential for a stadium at the CN site since it is to be connected to the Metropolitan Toronto Convention Centre and will

therefore be used for exhibit and convention space in conjunction with the Centre. In this regard, the stadium would be designed to accommodate a total of 200,000 ft.^{2} of exhibit space at field level which could be used in conjunction with the Convention Centre.

Conformity with the Metropolitan Official Plan:

The Metropolitan Commissioner of Planning advises that this proposal in no way conflicts with the Metropolitan Official Plan.

Exhibition Place:

Council, at its February 28, 1984 meeting, expressed its commitment to the future vitality of Exhibition Place, with or without a major sports facility, requested similar assurance from the Province, and resolved that a new development plan be brought forward by the end of 1984.

The Premier, in his January 17, 1985 press conference, pledged the continued support of the Province for Exhibition Place. I view this as a very positive indication, and one which I intend to vigorously pursue with the new Premier.

Metropolitan staff, during the mid part of 1984, held several meetings in respect to the new development plan requested by Council. They were concerned, as they reported to me after I became Chairman, that in the absence of a site decision on a new stadium, that they might be acting in isolation from reality if they proceeded on a feasibility or development plan without information on the new stadium site. They also pointed out, quite rightly, that Council had given no direction as to who ought to conduct the study, and had indeed neglected to provide funds. Senior staff suggested, and I agreed, that this matter should be held in abeyance until such time as a site decision was reached.

I have held preliminary discussions with the Chairman of the Board of Governors of Exhibition Place, and with senior Provincial officials, as well, of course, with the appropriate Metropolitan officials, and I will be reporting shortly to the Council on a proposal for a review of the future of Exhibition Place, including its relationship with Ontario Place, given the Premier's announcement of January 17.

This report will include detailed terms of reference, budgets, and proposed Provincial involvement. I will circulate this report to Members of Council for their comments before I present it to the Executive Committee.

Financing:

The stadium proposal approved by Council on February 28, 1984 contemplated a contribution of a maximum of $30 million, which was not to exceed 20 per cent. of total government contribution. While the Council did

direct that further efforts be made toward private sector contributions, I think I can be confident in saying that none of us on Council at that time contemplated that $70 million of other funding plus additional developer funding would be found. Indeed, it was our belief that, if anything, the bulk of the funding would come from government lottery funds, however defined.

As discussions proceeded with the private sector, and with the Government of Canada, it became evident that much reliance was being placed on the Metropolitan contribution as an indication of a substantial commitment by the people of Metropolitan Toronto to this project. It is my view that the project, and the people of this municipality, ought not to be penalized by the fact that the private sector contribution grew, and the public sector contribution diminished.

The better position, I would hold, is that if Council in February of last year was prepared to contribute a sum of money to that project, that sum should not diminish but should remain constant. And we should not lose sight of the fact that a year ago we were prepared to contribute $30 million to a new facility. Today, for if no other reason than the economic benefits outlined above, that contribution should be maintained.

In fact, we are getting for this municipality a $150 million facility for $30 million, and we face no operating costs. This is a bargain that cannot be passed over.

The previous Council position was that the funds be contributed on a pro-rata basis, and be funded, following the normal Metropolitan procedure, from both operating and debentured funds.

I find now no reason why debt and its inevitable interest costs should be incurred for this project, and am therefore recommending to you that the entire cost should be funded from current revenues, over a period of five years. This amounts to an average annual payment of $6 million, which is essentially eight-tenths of a mill. On a home in Metropolitan Toronto assessed at $7 thousand, this would amount to an average total cost of approximately $5.60 a year for five years, with no other continuing obligation.

I have discussed this matter with the Metropolitan Treasurer, who advises me that there are no impediments to this recommendation. Ontario Municipal Board approval is, of course, required because the commitment extends beyond the term of the present Council.

Recommendations:

In view of all the above, therefore, it is recommended, subject to the appropriate approvals required by the Ontario Municipal Board, that the previous Council approvals cited above be amended by recommending that:

(1) (a) a contribution towards the capital cost of construction of the project in a total amount not to exceed $30 million be approved as a current expenditure to be financed over a period of five years commencing in

1985 through the establishment and maintenance of a reserve fund with provisions being made annually in the current estimates as follows:

1985	$ .5 million
1986	$7.2 million
1987	$7.2 million
1988	$7.2 million
1989	$7.9 million

(b) to the extent of the balance available from time to time, payments be made from the reserve fund to meet the Metropolitan Corporation's pro-rata share of construction cash flow requirements on a basis satisfactory to the Metropolitan Treasurer.

(2) CN Real Estate be required to provide, on lands to be conveyed to the Metropolitan Corporation as outlined in the attached Appendix 4, a pumping station suitable in all respects to the Metropolitan Commissioner of Works, including the relocation, replacement or addition of pipes, pumps, and any other works deemed necessary by the Commissioner of Works;

(3) CN Real Estate enter into an agreement, subject to the approval of the Commissioner of Works and the Metropolitan Solicitor, to provide, at no cost to the Metropolitan Corporation, a works yard to replace the present John Street yard, in such a way as to provide a facility that is at least equal to the present facility;

(4) all plans, specifications and inspections regarding (2) and (3) above be to the approval of the Commissioner of Works;

(5) the Metropolitan Solicitor and Commissioner of Works be authorized and directed to enter into appropriate agreements for the lease of the lands required for Stadium construction, set out as outlined above and in the attached Appendix 4, to the Ontario Stadium Corporation, for a term of 99 years for the total sum of One Dollar, or whatever such other nominal amount the Solicitor deems appropriate;

(6) the obtaining of all necessary approvals for the entire project, including those works outlined in the previous recommendations, be the responsibility of CN Real Estate, or the Ontario Stadium Corporation, and in no event the responsibility of the Metropolitan Corporation, but the appropriate Metropolitan officials are directed to provide whatever assistance or other action is needed to attain the foregoing;

(7) Council adopt as policy that it will in no way be responsible for any operating costs or financial losses of the stadium;

(8) Council require appropriate representation on the Ontario Stadium Corporation;

(9) the appropriate Metropolitan officials commence discussions with the City of Toronto with a view to maximizing the value of the Metropolitan lands south of the stadium, including applying for the appropriate best and highest zonings and densities and development rights;

(10) the Metropolitan Chairman be authorized and directed to report to Council, at the earliest opportunity, on terms of reference for a study of the future of Exhibition Place, and contributions thereto from the Province of Ontario;

(11) the Technical Transportation Planning Committee members be requested to take the necessary steps to ensure the required road, transit and pedestrian improvements as outlined in this report are secured;

(12) and that the appropriate Metropolitan officials be authorized and directed to take whatever other action is necessary, including the expenditure of funds, and the entering into of the necessary agreements, subject to the satisfaction of the Metropolitan Solicitor to effect all the foregoing recommendations, and that the Metropolitan Executive Committee certify a special estimate for the expenditure of $6 million in the 1985 Operating Budget.

C. Dennis Flynn
Chairman
Metropolitan Toronto Council

January 18, 1985